RQ-2

March 21, 2013

DAVID DONNELLY, TREASURER FRIENDS OF DEMOCRACY 1133 19TH ST. NW, 9TH FLOOR WASHINGTON, DC 20036

Response Due Date 04/25/2013

**IDENTIFICATION NUMBER: C00520080** 

REFERENCE: AMENDED 30 DAY POST-GENERAL REPORT (10/18/2012 - 11/26/2012), RECEIVED 12/21/2012

### Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the response date noted above could result in an audit or enforcement action. Additional information is needed for the following 6 item(s):

- 1. The beginning cash balance of this report does not equal the ending balance of your Amended 12 Day Pre-General Report (10/1/12-10/17/12), received 12/20/12. Please correct this discrepancy and amend all subsequent reports(s) that may be affected by the correction. (2 U.S.C. § 434)(b)(1))
- **2.** Your calculations for Line 8 appear to be incorrect. Cash on hand at the close of the current reporting period should always equal the closing calendar year to date cash on hand amount. Please provide the corrected total on the Summary Page. (2 U.S.C. § 434(b))
- **3.** Schedule B supporting Line 23 of your report discloses one or more contributions to a candidate(s) for the 2012 General election; however, the funds were disbursed after the election date(s) (see attached). Please note that contributions may not be designated for an election which has already occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign. (11 CFR §§110.1(b)(3) and 110.2(b)(3))

If any apparently impermissible contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If the contribution(s) in question should have been designated for debt retirement, you should amend your report to indicate "debt retirement,"

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along with the year of election.

If you have made an impermissible contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund. (11 CFR §103.3(b)(1) and (3))

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding this impermissible activity, your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

- **4.** Please identify the name and address of the payee for the in-kind contribution(s) disclosed on Schedule B for Line 23. (11 CFR §104.3 (b)(3))
- Your committee has filed 24 hour reports for independent expenditures opposing several federal candidates (see attached) which have not been itemized on Schedule E supporting Line 24 of the Detailed Summary Page. Please be advised that independent expenditures disclosed on 24 hour reports must also be itemized on a corresponding Schedule E or MEMO Schedule E and Schedule D (if applicable), in the appropriate reporting period. Further, if the actual payment(s) for the independent expenditure(s) occurs after the date of dissemination, the appropriate report(s) should continue to show payment on Schedule E and Schedule D, until the debt is fully extinguished. Please amend your report and any subsequent reports that may be affected by this correction. (11 CFR §104.4)
- **6.** Schedule E of your report indicates that your committee may have failed to timely file one or more of the required 24 hour report(s) regarding "last minute" independent expenditures (see attached). A political committee must file a 24 hour report with the Federal Election Commission as specified in 11 CFR

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§104.4(c), within 24 hours of any independent expenditures of \$1,000 or more with respect to a given election, made between two and twenty days before an election. The report must be received by the Commission by 11:59 p.m. on the day following the date on which independent expenditures that aggregate \$1,000 or more are publicly distributed or disseminated. These expenditures must then be fully itemized on Schedule E, or as memo entries on Schedule E and reflected on Schedule D if distributed or disseminated prior to payment, of the next report required to be filed by the committee. Although the Commission may take further action concerning this matter, your prompt response will be taken into consideration. (11 CFR §104.3(b))

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. Requests for extensions of time in which to respond will not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1141.

Sincerely,

Daniel Buckley

Pand Buckly

Senior Campaign Finance Analyst

Reports Analysis Division

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# Excessive, Prohibited, and Impermissible Contributions Friends of Democracy (C00520080)

## **Contributions Made After Election Date**

Recipient Name	Date	Amount	Election	Election Date
BERA FOR CONGRESS	11/26/12	\$300.00	G2012	11/6/2012
BETTY SUTTON FOR CONGRESS	11/26/12	\$450.00	G2012	11/6/2012
CAROL SHEA-PORTER FOR CONGRESS	11/26/12	\$675.00	G2012	11/6/2012
DR. RAUL RUIZ FOR CONGRESS 2012 COMMITTEE	11/26/12	\$450.00	G2012	11/6/2012
FRIENDS OF DAN MAFFEI	11/26/12	\$375.00	G2012	11/6/2012
FRIENDS OF PETE GALLEGO	11/26/12	\$150.00	G2012	11/6/2012
JOE GARCIA FOR CONGRESS	11/26/12	\$300.00	G2012	11/6/2012
KREITLOW FOR CONGRESS	11/26/12	\$600.00	G2012	11/6/2012
KUSTER FOR CONGRESS, INC.	11/26/12	\$900.00	G2012	11/6/2012
LEE ROGERS FOR CONGRESS	11/26/12	\$525.00	G2012	11/6/2012
LOIS FRANKEL FOR CONGRESS	11/26/12	\$375.00	G2012	11/6/2012
NOLAN FOR CONGRESS VOLUNTEER COMMITTEE	11/26/12	\$300.00	G2012	11/6/2012
SEAN PATRICK MALONEY FOR CONGRESS	11/26/12	\$300.00	G2012	11/6/2012

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### **Missing Schedule E (24 Hour Report)**

Friends of Democracy (C00520080)

Name of Payee	Date	Amount	Candidate	Election
*Mission Control, Inc.	10/25/12	\$42,807.40	BONO MACK, MARY	G2012
*Mission Control, Inc.	10/25/12	\$59,639.12	BASS, CHARLES F.	G2012
*Mission Control, Inc.	10/25/12	\$30,343.14	BUERKLE, ANN MARIE	G2012
*Mission Control, Inc.	10/25/12	\$50,822.00	CANSECO, FRANCISCO RAUL QUIC	G2012
*Winning Connections	10/25/12	\$10,992.40	HAYWORTH, NAN	G2012
**Winning Connections	10/31/12	\$1,126.00	CANSECO, FRANCISCO RAUL QUIC	G2012
**Winning Connections	10/31/12	\$1,411.00	BUERKLE, ANN MARIE	G2012

<sup>\*</sup>Your committee filed two 24 Hour Reports on 10/25/12 disclosing two payments to this vendor for this amount. However, your 2012 30 Day Post-General Report only discloses one payment.

<sup>\*\*</sup>Your committee filed a new 24 Hour Report on 12/20/12. On 12/21/12, your committee also amended the 24 Hour Report originally filed on 10/30/12. The two filings disclosed two payments to this vendor for this amount. However, your 2012 30 Day Post-General Report only discloses one payment.

## Image# 13330027589

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**Late 24 Hour Report (Schedule E)** 

Friends of Democracy (C00520080))

Name of Payee	Date	Amount	Candidate	Election	Report Received
Winning Connections	10/31/12	\$1,411.00	BUERKLE, ANN MARIE	G2012	12/20/12
			CANSECO, FRANCISCO		
Winning Connections	10/31/12	\$1,126.00	RAUL QUIC	G2012	12/20/12